

## ► Extending Concepts

**Calculating Property Tax Rates** In Exercises 21–23, use the information below.

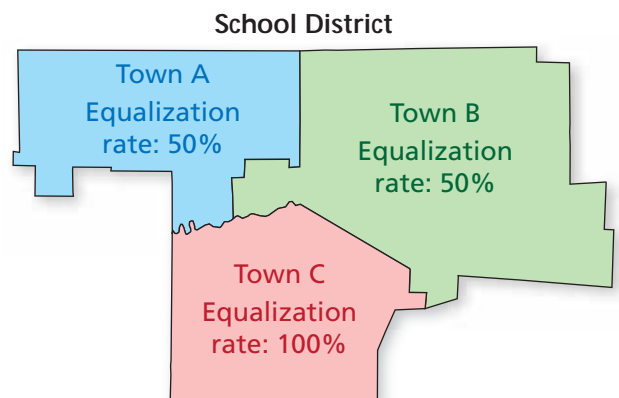
Property tax rates are calculated based on the amount of money needed from property taxes, called a *levy*, and the taxable assessed value of all property within a municipality.

$$\text{Property tax rate} = \frac{\text{levy}}{\text{taxable assessed value}} \times 1000 \text{ mills}$$

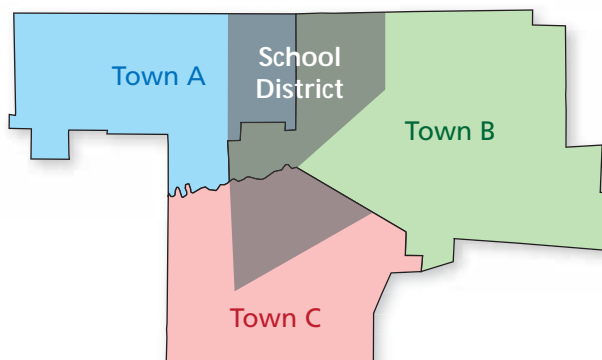
- A town levy is \$600,000, and the taxable assessed value of all property in the town is \$50,000,000. Find the property tax rate.
- A county levy is \$50,000,000, and the taxable assessed value of all property in the county is \$1,000,000,000. Find the property tax rate.
- A town levy is \$750,000, and the taxable assessed value of all property in the town is \$80,000,000. Find the property tax for a home with an assessed value of \$50,000.

**Equalization** In Exercises 24–28, use the information below.

School districts often consist of several municipalities that may have different levels of assessment. Each municipality pays its fair share of the school tax based on its total market value rather than its total assessed value. The total market value of each municipality is the total assessed value divided by the municipality's *equalization rate*.



- The school district shown consists of three towns. The total assessed value of each town is \$10 million. Find the total market value of each town.
- The school district needs to raise \$1 million through property tax. Divide the total market value of each town by the total market value of the entire school district to find the percent of the \$1 million school tax that each town must pay.



- Find the school tax levy and the school tax rate for each town. Assume that the taxable assessed value is equal to the total assessed value for each town.
- Would it be fair or unfair for each town to pay one-third of the school tax levy? Explain.
- Explain why the school tax rate calculations would be more difficult for a school district organized as shown in the diagram at the left.